

Article | Quarterly Journal of Economics | February 2014

National Institutions and Subnational Development in Africa

by Stelios Michalopoulos and Elias Papaioannou

Abstract

We investigate the role of national institutions on subnational African development in a novel framework that accounts both for local geography and cultural-genetic traits. We exploit the fact that the political boundaries in the eve of African independence partitioned more than two hundred ethnic groups across adjacent countries subjecting similar cultures, residing in homogeneous geographic areas, to different formal institutions. Using both a matching-type and a spatial regression discontinuity approach we show that differences in countrywide institutional structures across the national border do not explain within-ethnicity differences in economic performance, as captured by satellite images of light density. The average non-effect of national institutions on ethnic development masks considerable heterogeneity partially driven by the diminishing role of national institutions in areas further from the capital cities.

Keywords: Ethnicity; Development Economics; Local Range; Government and Politics; Africa;

Format: Print Find at Harvard Read Now

Citation:

Michalopoulos, Stelios, and Elias Papaioannou. "National Institutions and Subnational Development in Africa." Quarterly Journal of Economics 129, no. 1 (February 2014): 151–213.

Export Citation